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# INFORMATION REPORT INFORMATION REPORT

## CENTRAL INTELLIGENCE AGENCY

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COUNTRY USSR (Lithuanian SSR)

REPORT

SUBJECT The Lithuanian Scrap Iron Directorate

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An eight-page report on the Lithuanian Scrap Iron Directorate

The report contains a description of the various departments, activities, and some key personalities of the Scrap Iron Directorate.

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**COUNTRY:** USSR (Lithuanian SSR)

**SUBJECT:** The Lithuanian Scrap Iron Directorate

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1. The Directorate for Collection, Processing and Dispatch of Scrap Iron of the Lithuanian SSR (Litovskoye Respublikanskoye Upravlenie Po Zagotovke, Pererabotke I Otgruzke Vtorichnikh Chernikh Metalov) was subordinate to the All-Union Ministry of Ferrous Metallurgy (Ministerstvo Chernoy Metallurgii SSSR). Established immediately after World War II, the directorate was located at No. 25 Muzeynaya ulitsa in Vilnius.
2. The principal duties of the directorate were to organize the collection of scrap metal throughout the republic, to concentrate at the locations selected for this purpose to condition it for rail transport, and to execute initial processing of a certain amount of scrap before its shipment to the foundries.

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3. The institution was headed by a director with the chief engineer as his deputy. Departments of the directorate were the following:
  - a. Production Department (Proizvodstvenniy Otdel), which kept daily telephone contact with the scrap collection centers so as to ensure fulfillment of the plan. It then forwarded daily reports to this effect to the Main Directorate in Moscow. Representatives of this department regularly visited the various scrap supplier enterprises.
  - b. Planning and Sales Department (Planoviy Otdel i Sbit), which prepared the monthly and yearly schedules on which the work of the directorate's branches was based. The department was also responsible for budget planning and the regional distribution of the representatives in the field. Regarding sales, the department checked and coordinated shipments to customers with the plan schedules in respect to quantity and type of scrap.

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To this end, it calculated deliveries to each customer, planned the number of railroad cars required for transporting the scrap to the foundries, and received all complaints regarding short weight or inferior quality.

- c. Supply Department (Otdel Snabzhenia), which obtained all building materials required for construction and maintenance at the collection centers and the directorate proper.
- d. Cadres and Special Bureau (Otdel Kadrov i Spetsyalniy Otdel), which dealt with the hiring and dismissing of personnel, registering of current work, job cards, etc. The head of the department was also in charge of the Special Bureau, where classified communications received from various authorities by special messengers were safeguarded. In this category was correspondence with the Council of Ministers and

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the armed forces, as well as all documents relating to restricted subjects.

e. Accounts Department.

4. The directorate maintained seven branches throughout the republic, which collected scrap and processed it for shipment. The largest branches were those located in Vilnius, Kaunas, and Klaypeda. Each branch had at its disposal trucks and cranes for the collection and loading work.
5. The Lithuanian directorate was controlled by a main directorate in Moscow, which planned the collection and dispatch of scrap on a monthly and annual basis. These schedules were binding on the Lithuanian institution with regard to quantities, types, and suppliers. More often than not, they could not be executed since, though officially based on the Lithuanian reports, the Moscow planners invariably added a certain percentage to the original figures as a matter of principle. Only rarely did representatives of the main directorate visit Lithuania, and then only to convince local workers that the plan could be fulfilled. To the same end, the main directorate offered bonuses to shock workers and employees who managed to reduce

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overhead expenses. Generally speaking, the directorate did not operate at a profit but, on a national scale, its activities were considered sufficiently important for Soviet economy to justify its existence.

6. The main directorate exercised economic and financial control over the Lithuanian directorate. Often checks were carried out upon receipt of anonymous complaints about staff members and organizational shortcomings. In early 1956, a case of mutual denunciation occurred when the director and the chief engineer each of the Lithuanian directorate/attempted to oust the other. This was brought to an end with the dismissal of the chief engineer.
7. The main source of scrap during the postwar period was abandoned military equipment, large quantities of which were collected in the Kaliningrad area. When these sources were exhausted, the main suppliers became metal works in Vilnius and other parts of Lithuania, such as the Elfa Plant, Zhalgiris (factory of metal-working machinery), and Zavod 555. In addition, the directorate collected scrap from various other sources, also determined by the overall plan; included among these were the collection drives of schools.

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8. An important source of scrap material was the armed forces, although the quantities and types collected were a well guarded secret. This type of scrap was handled by a special department of the Baltic Military District Headquarters. Another important supplier was the Lithuanian Railways, which supplied unserviceable rolling stock and rails and scrap from its workshops.
9. The 1956 plan called for the collection of about 70,000 tons of scrap. This quantity was sent to the directorate's main customers in the Urals and Siberia. When the required work on scrap could not be executed at the directorate's shops, the scrap was delivered to various plants for processing prior to smelting; such plant customers were located in Yaroslav, Dnepropetrovks, and Gorkiy. When, however, scrap was cut to size at the directorate's collection centers, the scrap was sent to such plants as the Uralmash-Zavod and a military plant in Izhevsk.
10. The directorate had always been a center of fraud and corruption. Since stock pilfering in the collection warehouses was difficult, branch managers would accumulate surpluses by short-weighing the scrap upon arrival at the centers. Such

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deals indeed enriched the top executives and their assistants. These practices were frequently brought to the attention of the economic police by anonymous denunciations (no details).

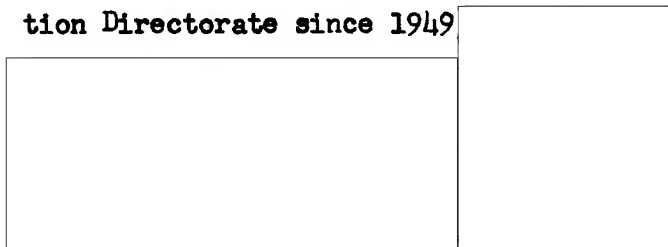
11. The following persons were reported:

- a. Vodnev (fnu), general manager of the Main Directorate for Scrap Metal Collection in Moscow



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- b. Aleksandr Timofeyevich Kamensky, general manager of the Lithuanian Scrap Iron Collection Directorate since 1949



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- c. Nikolay Mitrofanovich Serpukhovitinov, chief engineer of the Lithuanian Directorate until 1956



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- d. Piotr Bugo, chief engineer of the Lithuanian Directorate since 1956



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- (female)
- e. Zinaida Abromovna Levitanus, head of the  
special bureau of the Lithuanian Directorate,

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- (female)
- f. Esfira Borisovna Merkina, head of the  
planning department of the Lithuanian  
Directorate since 1950

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- g. David Mikhaylovich Alterman, head of the  
production department of the Lithuanian  
Directorate

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